

EXHIBIT D:
WILLIAM MEBANE
DEPOSITION
EXCERPTS
02/24/2004

**IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

CASE NO. C-1-01-641

Q & R ASSOCIATES, INC.,

Plaintiff,

vs.

UNIFI, INC., et al,

Defendant.

DEPOSITION

COPY

WITNESS: WILLIAM MICHAEL MEBANE

**TAKEN AT THE LAW OFFICES OF:
CARRUTHERS & ROTH, P.A.
235 North Edgeworth Street
Greensboro, NC 27401**

**DATE: 02-24-04
TIME: 08:57 A.M.**

**REPORTER: DALE L. RING
CHAPLIN & ASSOCIATES, INC.**

CHARLOTTE (704) 335-1954 TRIAD (336) 992-1954 RALEIGH (919) 807-1954

William Michael Mebane

Page 163

1 would reduce after that, based on their
2 expectations of the one to three month
3 qualification; three to six month to full
4 production.

5 So that their representation to me of
6 sales would come primarily in the third to six
7 month process. That's the relationship between
8 these two documents.

9 Q. Okay. How did you calculate the amount
10 of collections that was shown in the collections
11 column on this attachment?

12 A. I would need to go back to the matrix.

13 Q. Exhibit 27?

14 A. My tendency is to tell you I do not
15 recall what -- what the actual formula was. But
16 it was based on the volumes and the time to
17 qualification and full production, translated into
18 sales under the commissions -- under the
19 collection side.

20 Q. Did you -- were you relying,
21 exclusively, on the volumes listed in Exhibit 27
22 or were you adding in volume from somewhere else?

23 A. I don't recall. And the intention of
24 this spreadsheet was to show the -- the payment of
25 draws ahead of commissions. As I said here, you

William Michael Mebane

Page 164

1 know, "attached is a small spreadsheet to
2 demonstrate the concept I had in mind."

3 Q. Were there ever any projections prepared
4 by UTF or Unifi that described expected sales
5 volumes for this plant?

6 A. Yes.

7 Q. Okay. Is the information on the
8 attachment to Exhibit Five consistent with your --
9 the company's projections, do you know?

10 A. I would have to look at those
11 projections. I don't know. They were not used in
12 preparing the exhibit as shown here.

13 Q. Do you recall whether the projections of
14 Unifi were higher or lower than the collection
15 amounts listed here?

16 A. I would have to look at those
17 projections. I don't -- I can't recall.

18 Q. And you don't really recall how you
19 calculated the collection amounts?

20 A. If you're asking me what the formula
21 was, no, I do not recall what the formula was.

22 Q. But it was based, at least in part, on
23 the information in Exhibit 27?

24 A. That's correct.

25 Q. You recall how you used Exhibit 27 to